

APPLICATION TO MERGE, REORGANIZE OR PURCHASE ASSETS

INFORMATION AND INSTRUCTIONS

This application form has been designed to elicit the **minimum information required** by The Texas Department of Banking (the "DEPARTMENT") for the purpose of determining whether a particular application should be granted. If the space provided is insufficient, a separate page should be attached. Additional information and documents must be submitted on **8 1/2" x 11" paper**.

The application, as well as copies of all attachments, must be **filed in duplicate** if all of the merging entities are Texas entities. If the application contemplates an interstate merger, one additional copy is required for each of the out-of-state entities involved. Once the application and accompanying documents are received by the DEPARTMENT they will be reviewed. The applicant will be notified if additional information is required to complete the review of the proposed transaction. Only when it is determined that sufficient information has been filed to adequately review the proposed transaction, will the application be officially accepted for filing. Therefore, full and complete answers will facilitate processing of the application.

A check payable to the Banking Commissioner of Texas is required as a filing fee for each merger transaction pursuant to 7 TAC ' 15.2(b). It is not refundable.

INTERSTATE MERGER APPLICATIONS WILL NOT BE HANDLED ON AN EXPEDITED BASIS.

PUBLIC NOTICE. The applicant shall publish a notice in a newspaper of general circulation in the specified community of the applicant(s), the target(s) and the resultant banks. The published notice must comply with 7 TAC ' 15.5.

PUBLIC DISCLOSURE OF INFORMATION. All information submitted to the DEPARTMENT is presumed to be public information, unless it is deemed confidential under the Texas Open Records Act. Any document in the application for which you request confidential treatment must be segregated and reference the Texas Open Records Act exception supporting the request. Final determination as to the confidentiality of any information will rest with the Banking Commissioner.

Inquiries concerning the preparation and filing of this or any other Corporate application with the DEPARTMENT should be directed to the **Corporate Activities Division** of The Texas Department of Banking, 2601 North Lamar Boulevard, Austin, Texas 78705-4294 [512/475-1300].

APPLICATION FOR A

MERGER, REORGANIZATION, OR PURCHASE OF ASSETS

Application to the Commissioner is hereby made for approval of this proposed:

_____ Merger or Reorganization (Section 32.301)

_____ Purchase or Sale of Assets (Section 32.401)

as required by the Texas Finance Code.

BANK

(Title) (Charter #)

(Street Address and P.O., if different)

(City, County, State, Zip Code)

OTHER BANK / TRUST COMPANY / ENTITY

(Title) (Charter #)

(Street Address and P.O., if different)

(City, County, State, Zip Code)

RESULTING BANK / TRUST COMPANY

Under the Charter of _____

(Title) (Charter #)

(Street Address and P.O., if different)

(City, County, State, Zip Code)

MERGER, REORGANIZATION OR PURCHASE OF ASSETS

HOLDING COMPANY

(Exact Title of Any Holding Company for Bank/Trust Company)

(Mailing Address)

(Exact Title of Any Holding Company for Other Bank/Trust Company)

(Mailing Address)

(Exact Title of Any Holding Company for Resulting Bank/Trust Company)

(Mailing Address)

CONTACT

Requests for additional information or other communications about this proposal should be directed to:

(Name)

(Title)

(Mailing Address)

(Telephone Number Including Area Code)

MERGER, REORGANIZATION OR PURCHASE OF ASSETS

We understand that any misrepresentations or omissions of material facts with respect to this application, any attachments to it, and any other documents or information provided in connection with the application to merge may be grounds for denial or revocation of the state bank charter or grounds to require the resignation of the undersigned as director(s) or officer(s) of the state bank, and may subject the undersigned to other legal sanctions.

(Acquiring Bank / Trust Company)

By:

(Signature of Authorized Officer)

(Seal)

(Typed Name)

(Title)

(Other Bank / Trust Company / Entity)

By:

(Signature of Authorized Officer)

(Seal)

(Typed Name)

(Title)

MERGER, REORGANIZATION OR PURCHASE OF ASSETS

Review 7 TAC ' 15.101 through ' 15.117 before completing this section. You must complete the attached worksheets if you wish to apply for expedited processing along with the information required in 7 TAC ' 15.103.

The following attachments must be submitted with this application if you do not qualify for expedited processing.

1. Summary - A brief description of proposed transaction.
2. A copy of all agreements related to the proposed transaction executed by an authorized representative of each party.
3. The Articles of Merger (*duplicate originals*) related to the proposed transaction incorporating the restated Articles of Association of any resulting bank or trust company and any other resulting entity as Exhibit B and the Plan of Merger as Exhibit A.
 - a. Indicating approval by at least 2/3 of the shareholders of each merging or acquiring entity; and,
 - b. Executed and acknowledged by an authorized officer for each merging or acquiring entity.
4. Resulting Bank/Trust Company or Other Entity:
 - a. A brief description of future prospects.
 - b. List of proposed executive officers and directors.
 - c. List of proposed branches and locations.
 - d. A map depicting the delineated community. Submit only if the proposal changes the existing CRA community delineation.
 - e. An assessment of the current regulatory and financial condition of each party to the transaction.
5. A Current and Pro Forma (at consummation and consummation + one year) combined balance sheet and income statement for all resulting entities.
6. A certification or opinion of counsel that conforms to the requirements contained in 7 TAC ' 15.101 through ' 15.117, as applicable.
7. A copy of the most recent Consolidated Reports of Condition and Income for each bank or trust company and a current financial statement for any other entity involved in the proposed transaction.
8. A copy that portion of the most recent "watch-list" for each bank/trust company or other entity involved in the proposed transaction, that identifies low-quality assets.
9. Provide a listing of the exact location of any existing and new offices or facilities (including ATM's) to be owned by the resulting bank or trust company.
10. (*If applicable*) A complete copy with attachments of any application(s) related to the proposed transaction as filed with any other governmental authority.
11. (*If applicable*) A copy of the latest annual report for any holding company.
12. As a result of the transaction, will any additional approvals, ie overinvestment in fixed assets, etc., be required?
13. A description of the due diligence review conducted and a summary of findings.
14. A description of all material legal or administrative proceedings involving any party to the transaction.
15. A copy of the Strategic Plan of each resulting state bank, if different from the existing plan. See Memorandum 1009.

16. An explanation of compliance with or non-applicability of provisions of governing law relating to rights of dissenting shareholders or participants. (MERGER ONLY)
17. A copy of all securities offering documents, proxy statements or disclosure materials. (MERGER ONLY)
18. An explanation of the manner and basis of connecting or exchanging any of the shares or other evidences of ownership of any entity that is a party to the merger or acquisition.
19. For antitrust purposes, an analysis of the anticipated competitive effect of the proposed transaction in the affected markets and a statement of the basis of the analysis of the competitive effects or a copy of the analysis addressed in the companion federal agency application, if any.